

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2005-2010 to M/s. The Andhra Pradesh Paper Mills Limited, for expansion of units located in Rajahmundry/Kadiyam, East Godavari District –
Sanction - Orders- issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Rt.No. 636

dated:20-10-2009

Read the following:

1. From the Commissioner of Industries, A.P. Hyderabad Single File.No.15-1-6-613/1, dated.3.4.2008.
2. From the Managing Director, The A.P. Paper Mills Ltd., Letter.dt.10.05.2008.
3. Minutes of the State Investment Promotion Committee (SIPC) Meeting held on 20.02.2009.
4. Minutes of the State Investment Promotion Board (SIPB) Meeting held on 26.08.2009.

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ORDER:-

In the reference 1st read above, the Commissioner of Industries, A.P. Hyderabad has reported that the President (Finance) of M/s The Andhra Pradesh Paper Mills Limited, informed him that they are having paper mill facility at Rajahmundry producing Cream wove, Maplitho, Poster, Pink Manilla, Pulp Board, Azurelaid/Copier and Kraft Paper using waste paper, wood pulp and rice straw as raw materials and another facility at Kadiyam Coastal Papers (CP) producing creamwove, colour, plain, Kraft, manila board, newsprint deluxe map litho paper etc., The company proposed expansion of the mills capacity with an investment of Rs.840 Crores and likely to provide direct employment to more than 200 persons besides providing indirect employment to 25,000 persons. The expansion project envisages increasing the capacity of pulping from 87,000 tons per annum to 1,82,000 tons per annum in Unit: APPM, Rajahmundry and also increasing capacity of paper making from 1,53,500 tons per annum to 2,60,000 tons per annum in both the Units APPM & CP located in East Godavari District. The Company is requesting for certain tailor made benefits. The line of activity i.e. Manufacturing of Paper is eligible as it satisfies the norms for expansion and as the proposed investment in the expansion programme exceeds Rs.100 Crores, it also qualifies as Mega Project and requested to take further necessary action.

2. In the reference 3rd read above, State Investment Promotion Committee (SIPC) has discussed the proposal and decided to place the matter before the State Investment Promotion Board (SIPB).

3. In the reference 4th read above, the State Investment Promotion Board (SIPB) in its meeting held on 26.08.2009 has recommended to extend the following benefits;

- i) 50% reimbursement of VAT & CST for a period of 5 years.
- ii) All other benefits as per IIPP 2005-10, which include:
 - a) Power cost reimbursement @ Rs.0.75 per unit for 5 years from the Date of commencement of commercial production.
 - b) 100% reimbursement of Stamp duty and transfer duty.
 - c) 50% of Infrastructure Assistance under IIDF limited to Rs.1.00 Crore wherever applicable.
 - d) 50% subsidy on the expenses incurred for quality certification limited to Rs.1.00 Lakh.
 - e) 25% subsidy on cleaner production measures limited to Rs.5 Lakhs.
 - f) 50% subsidy on the expenses incurred for patent registration limited to Rs.5 Lakhs.

P.T.O.

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4. Keeping in view of the above and also in the light of the recommendations of the State Investment Promotion Board (SIPB), Government after careful examination, hereby extend the incentives as mentioned at para (3) above to M/s. The Andhra Pradesh Paper Mills Limited, for expansion its units located in Rajahmundry/Kadiyam, East Godavari District as per Industrial Investment Promotion Policy (IIPP) 2005-2010.

5. The Commissioner of Industries, Andhra Pradesh Hyderabad shall take necessary action in the matter accordingly and intimate the status of progress of work from time to time to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B. SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, Andhra Pradesh, Hyderabad

M/s The Andhra Pradesh Paper Mills Ltd., Rajahmundry, East Godavari District through the Commissioner of Industries, A.P. Hyderabad.

The Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Hyderabad.

The District Collector, East Godavari.

Copy to

The Accountant General, Andhra Pradesh, Hyderabad.

The Energy Department.

The Irrigation & CAD Dept. /The EFS&T (Forest) Dept.

The Revenue (CT) Department.

The Commissioner of Commercial Taxes, Hyderabad

The Chairman & Managing Director, APTRANSCO., Hyderabad

The Managing Director, APCPDC Ltd., Hyderabad

The General Manager, District Industries Centre, East Godavari District.

The Finance (Exp.I&C) Department.

P.S. to Minister(Major Industries)

P.S. to Spl. CS, Rev. Dept./P.S. to Prl. Secy. to Govt., Rev.(CT) Dept.

P.S. to Addl. Secy. to CM/P.S. to Prl.Secy. (Irrigation) Dept.

P.S. to Spl.CS, Energy Dept./P.S. to Prl. Secy. & CIP/SC/SF

//Forwarded :: By order//

SECTION OFFICER